



# City of Downey

August 15, 2018

Paul Webster, Director  
Financial Management Division  
U.S. Department of Housing and Urban Development  
451 Seventh St., S.W. Room 7180  
Washington, D.C. 20410

Subject: Amendment to Section 108 Loan Application B-12-MC-06-0516

Dear Mr. Webster,

This letter shall serve as the request to amend certain Funding Approval/Agreement and collateral for Project Number B-12-MC-0516 (collectively, the "Neighborhood Inspiration Center Section 108 Loan Agreement") between the United States of America, by and through the Department of Housing and Urban Development ("HUD") and the City of Downey, a California municipal corporation ("City"). The Inspiration Neighborhood Center Project was a proposal to construct a public facility with multi-purpose community meeting and activity space located at Discovery Park; in addition, it would be the permanent home for the wooden, full-scale model (mock-up) of a space shuttle orbiter. The Inspiration Neighborhood Center would benefit residents immediately surrounding the former NASA/Downey property.

The Inspiration Neighborhood Center will now be substituted for the City's first Sports Fields located within five (5) acres of the southeastern portion of the Rancho Los Amigos South Campus Sports Fields, generally bordered by Erickson Avenue to the west, Bonita Street to the north, St. Pius X – St. Matthias Academy to the east, and Gardendale Street to the south. The development of the Rancho Los Amigos South Campus Sports Fields Project includes: three (3) synthetic turf or grass soccer fields of various sizes to support play of youth through high school level of competition, with the largest field being able to host football and lacrosse play as well; a parking lot with an estimated 74 spaces; a 2,100 to 3,000 square-foot building that will house restrooms, concessions, administrative offices, storage and meeting space; shielded directional lighting of sports fields to allow for field usage during dusk/night; fencing along the project boundaries; temporary or permanent bleacher seating; and, drought tolerant landscaping. The city intends to utilize the entire loan program of \$3,000,000 (the "HUD Loan Funds") for the development of the Rancho Los Amigos South Campos Sports Fields project. The preliminary budget amount for the Rancho Los Amigos South Campus

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## *Future Unlimited*

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CIVIC CENTER  
11111 BROOKSHIRE AVE.  
PO BOX 7016  
DOWNEY, CALIFORNIA  
90241-7016  
562.869.7331  
WWW.DOWNEYCA.ORG

LIBRARY  
11121 BROOKSHIRE AVE.  
DOWNEY, CALIFORNIA  
90241-7016  
562.904.7360  
WWW.DOWNEYLIBRARY.ORG

POLICE DEPARTMENT  
10911 BROOKSHIRE AVE.  
PO BOX 7016  
DOWNEY, CALIFORNIA  
90241-7016  
562.861.0771

PARKS & RECREATION  
7850 QUILL DR.  
DOWNEY, CALIFORNIA  
90242  
562.904.7238

UTILITIES DIVISION  
9252 STEWART & GRAY RD.  
DOWNEY, CALIFORNIA  
90241-7016  
562.904.7202

MAINTENANCE SERVICES  
12324 BELLFLOWER BLVD.  
DOWNEY, CALIFORNIA  
90242  
562.904.7194

Sports Fields Project is \$14,600,000.

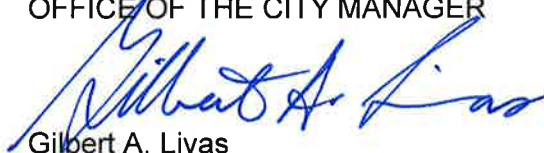
The proposed Rancho Los Amigos South Campus Sports Fields project meets HUD's National Objective to serve residents citywide via the Low/Mod Area benefit; additionally, the construction of a public facility is an Eligible Activity under 24 CFR 570.703(l). Additionally, this letter requests to amend the following:

1. The "Collateral," as defined in the City's Inspiration Neighborhood Center Section 108 Loan Application, is hereby modified to be a "debt service reserve account" to be established and maintained by U.S. Bank National Association in accordance with governing documents and practices approved by HUD. By way of reference, HUD and the City intend to use a "debt service reserve account" similar that as set forth in Paragraph 15(a) of that certain "Contract for Loan Guarantee Assistance Under Section 108 of the Housing and Community Development Act of 1974, As Amended, 42 U.S.C. §5308" Contract No. B-16-MC-06-0516.
2. The City Manager or authorized designee to be authorized by the City Council to execute this Letter Amendment, to negotiate and execute any and all appropriate instruments, agreements, and implementing documents, and to take any necessary or appropriate implementing actions (including but not limited to setting up a debt service reserve account) for the purposes of implementing this Letter Amendment.
3. Except as otherwise amended by this Letter Amendment, all the terms and conditions in the Neighborhood Inspiration Center Section 108 Loan Agreement shall remain in full force and effect.

If there are any questions regarding this submission, please contact Jessica Flores, Economic Development and Housing Manager or Jose Vazquez, Management Analyst, at (562) 904-7161.

Sincerely,

CITY OF DOWNEY  
OFFICE OF THE CITY MANAGER



Gilbert A. Livas  
City Manager

cc: Mary Ann Carrasco, CPD Representative

GAL/JGV  
Enclosures

**Rancho Los Amigos South Campus Sports Fields Project  
Proposed Payment Schedule**

<b>Year</b>	<b>Principal</b>
2018	\$0.00
2019	\$158,000
2020	\$158,000
2021	\$158,000
2022	\$158,000
2023	\$158,000
2024	\$158,000
2025	\$158,000
2026	\$158,000
2027	\$158,000
2028	\$158,000
2029	\$158,000
2030	\$158,000
2031	\$158,000
2032	\$158,000
2033	\$158,000
2034	\$158,000
2035	\$158,000
2036	\$158,000
2037	\$158,000
2038	\$156,000
<b>Total: \$3,000,000 + Interest</b>	

**Rancho Los Amigos South Campus Sports Fields –  
Area Benefit Calculation**

**Project:** Construction of the Rancho Los Amigos Sough Campus Sports Fields

**National Objective:** Low Mod Area Benefit per §570.208(a)(1)

**Eligible Activity:** Construction of a Public Facility under 24 CFR 570.703(l)

Project Area Benefit Income Data By Census Block Group  
FY 2018 LMISD by Grantee, Based on 2006-2010 American Community Survey

**Citywide Area Benefit**

<b>CENSUS TRACT</b>	<b>BLOCK GROUP</b>	<b>LOW/MOD COUNT</b>	<b>POPULATION COUNT</b>	<b>L/M PERCENT OF TOTAL</b>
5504	1	355	1,535	23%
5505	1,2,3,4,6	3,460	7,530	46%
5506.01	1,2,3,4	1,840	4,615	40%
5506.02	1,2,3,4	970	4,430	22%
5507	1,2,3,4,5,6	2,820	7,445	38%
5508	1,2,3,4,5,6,7	3,895	7,655	51%
5509.01	1,2,3	2,345	3,560	66%
5509.02	1,2,3,4	3,295	5,525	60%
5510	1,2,3,4,5,6	2,465	6,985	35%
5511.01	1,2,3	3,160	4,405	72%
5511.02	1,2,3	4,300	5,515	78%
5512.01	1,2	1,270	3,390	38%
5512.02	1,2,3,4	3,300	6,650	50%
5513	1,2,3	3,395	5,245	65%
5514.01	1,2	2,325	3,990	58%
5514.02	1,2,3	1,170	3,645	32%
5515.01	1,2	2,515	4,640	54%
5515.02	1,2,3	2,685	4,670	58%
5516	1	0	0	0%
5517	1,2,3,4,5	3,810	6,560	58%
5518	1,2,3,4,5	3,625	7,580	48%
5534	1,2,3	2,630	3,870	68%
<b>Total</b>		<b>55,630</b>	<b>109,440</b>	<b>51%</b>

<p><b><u>INSTRUCTIONS TO NEWSPAPER:</u></b></p> <p><b>City of Downey - Legal Advertising</b> in: <u>The Downey Patriot</u></p> <p><u>Account #:</u> Housing Division</p> <p>To be published <u>1</u> time only on: <b><u>Thursday, July 5, 2018</u></b></p> <p><b>2</b> Proofs of Publication required attention to:</p> <p><b><u>HOUSING DIVISION</u></b>  11111 Brookshire Avenue, Downey, CA 90241  (562) 904-7161  Submitted by: <u>Jose Vazquez, Management Analyst</u>  Department: Community Development</p> <p><b><i>Email DRAFT COPY TO Jose Vazquez at <a href="mailto:jvazquez@downeyca.org">jvazquez@downeyca.org</a></i></b></p>	<p><b><u>FOR CITY USE ONLY</u></b></p> <p>City Account No. <u>28.4.6851.0310</u></p> <p><b><u>DISTRIBUTION:</u></b></p> <p>E-Mailed to :<u>jennifer@thedowneypatriot.com</u>  :<u>06/27/18</u></p> <p>To City Clerk: <u>07/05/2018</u></p>
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## CITY OF DOWNEY

**LEGAL AD Downey Patriot – SEE ATTACHED LEGAL AD**

### CITY OF DOWNEY NOTICE OF PUBLIC HEARING

Notice is hereby given that a Public Hearing will be held before the Downey City Council, on August 28, 2018 at 6:30 p.m. in the Council Chambers of the Downey City Hall, 11111 Brookshire Avenue, Downey, California. At that time and place, consideration will be given to apply to the U.S. Department of Housing and Urban Development (“HUD”) for \$600,000 in funding plus \$15,000 to cover HUD’s application fee through the Section 108 Loan Guarantee Program.

The City is proposing to utilize this federal loan program to assist with the development and construction of Downey’s first sports fields. The sports fields will be built on 5-acre, Los Angeles County-owned site generally bordered by Erickson Avenue to the west, Bonita Street to the north and Gardendale Street to the south, known as Rancho Los Amigos South Campus. The sports fields will provide a 3,000 square foot multi-purpose public space and three (3) soccer/sports fields. The sports fields are an eligible activity under 24 CFR 570.703(l); in addition, the proposed project intends to benefit the City as a whole and meets a national objective under the designation of low- and moderate area benefit (LMA).

At this time and place, all persons interested may be present to give testimony on the proposed use of federal funds. A draft copy of the above referenced application to HUD for the Section 108 Loan Guarantee Program will be available for review on Friday, July 27, 2018 during normal business hours at the following locations: the Office of the City Clerk, 11111 Brookshire Avenue; the Downey City Library, 11121 Brookshire Avenue; and at [www.downeyca.org](http://www.downeyca.org). Persons interested in obtaining a copy or for further information, please call Jose Vazquez, Management Analyst, at (562) 904-7161. Written comments intended for the Downey City Council should be sent to the Downey City Clerk at 11111 Brookshire Ave., Downey, CA 90241, no later than 5:30 p.m. on August 28, 2018.

In compliance with the American Disability Act, if you need special accommodations, please contact the Housing Division at (562) 904-7161 or the California Relay Service. Notification 48 hours prior to the meeting will enable the City to arrange reasonable accessibility accommodations.

Maria Alicia Duarte  
Downey City Clerk

July 5, 2018